Acquisition of Embraer Jets

3377. SHRI SHAHID SIDDIQUI: Will the Minister of DEFENCE be pleased to state:

(a) whether Government have acquired five executive Jets from M/s Embraer of Brazil in September, 2003 at cost of Rs. 712.51 crore;

(b) if so, the details thereof and the procedure for the acquisition of executive Jets; and

(c) the details of the tender process adopted for the said procurement including the names of the firms which submitted their rates in this regard?

THE MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE): (a) to (c) In pursuance of the contract concluded by the Government with M/s Embraer, Brazil in September, 2003 for procurement of five executive jets at a cost of USD 145 million approximately, two aircraft for the Indian Air Force (IAF) and one for Border Security Force (BSF), were delivered in August, 2005 and the remaining two aircrafts for IAF in December, 2005.

Request for Proposal (RFP) for techno-commercial proposal was issued in March, 2001 to nine vendors. Out of the nine vendors, six vendors responded for seven types of executive jets. After trial evaluation by the IAF, three vendors were found suitable. The L-1 vendor, namely, M/s Embraer, Brazil, was selected based on the commercial proposals of the three vendors. Negotiations were held by a Price Negotiation Committee with the L-1 vendor. After conclusion of the negotiations and approval by the Government, the above mentioned contract was concluded.

The names of the vendors which submitted their proposals are as follows:—

(a) M/s. Dassault Aviation, France.

(b) M/s. Embraer, Brazil.

(c) M/s. Bombardier Aerospace, Canada. .

(d) M/s. British Aerospace system, UK.

(e) M/s. Gulf Stream Corporation, USA.

(f) M/s. Fairchild Dornier, Germany.